

1
2
3
4
5
6
7
8 UNITED STATES DISTRICT COURT
9 SOUTHERN DISTRICT OF CALIFORNIA

10 GINO MARAVENTANO; and
11 NEESHA KURJI

12 Plaintiffs,

13 v.

14 NORDSTROM, INC., a Washington
15 Corporation; and DOES 1 through 10,
16 inclusive,

17 Defendants.

18 GINA BALASANYAN, an individual,
19 and NUNE NALBANDIAN, an
20 individual, on behalf of themselves and
21 all others similarly situated,

22 Plaintiffs,

23 v.

24 NORDSTROM, INC., a Washington
25 Corporation; and DOES 1 through 10,
26 inclusive,

27 Defendants.

Master Case No. 10-cv-2671 JM (WMc)

**PRELIMINARY APPROVAL
ORDER**

**[This filing relates to original case
number 11-cv-2609]**

1 WHEREAS, this consolidated action is pending before this Court as a class
2 action (the “Action”); and

3 WHEREAS, the Named Plaintiffs, Class Counsel, and Nordstrom, Inc. (the
4 “Parties”) have applied to this Court for an order preliminarily approving the
5 settlement of the Action in accordance with a Stipulation and Settlement Agreement
6 of Class Action Claims (the “Stipulation” or “Settlement”), which, together with the
7 exhibits annexed thereto, sets forth the terms and conditions for a proposed settlement
8 and dismissal of the Action with prejudice upon the terms and conditions set forth
9 therein; and

10 WHEREAS, the Court has read and considered the Parties’ motions for
11 preliminary approval, Stipulation and the exhibits annexed thereto;

12 NOW, THEREFORE, IT IS HEREBY ORDERED:

13 1. This Order incorporates by reference the definitions in the Stipulation,
14 and all terms defined therein shall have the same meaning in this Order as set forth in
15 the Stipulation.

16 2. It appears to the Court on a preliminary basis that the Settlement is fair,
17 adequate and reasonable. The monetary settlement awards and Voucher Award
18 provided to Settlement Class Members is fair, adequate and reasonable when balanced
19 against the probable outcome of further litigation relating to liability and damages
20 issues. It further appears that extensive and costly investigation and research have
21 been conducted such that counsel for the Parties at this time are able to reasonably
22 evaluate their respective positions. It also appears to the Court that settlement at this
23 time will avoid substantial additional costs by all Parties, as well as avoid the delay
24 and risks that would be presented by the further prosecution of the Action. It further
25 appears that the Settlement has been reached as the result of intensive, serious and
26 non-collusive, arms-length negotiations.

27 3. The Court previously certified a class in this case of all current and
28 former California Draw Commission Salespeople employed in a draw commission

1 position at any time from October 20, 2006 up until the date of Nordstrom's June
2 2011 Dispute Resolution Agreement. The certified class covered periods when Class
3 Members (1) worked up to forty (40) minutes before the store opened and/or after the
4 store closed and were compensated under Nordstrom's draw commission plan, and (2)
5 did not receive misdraw. For purposes of Settlement, the Parties have stipulated to the
6 conditional certification of the broader Settlement Class, as set forth in the Stipulation.
7 Based on that Parties' Stipulation, the Court hereby conditionally certifies the
8 Settlement Class for settlement purposes only. The Settlement Class shall be
9 comprised of all persons employed by Nordstrom in a Draw Commission Position
10 within the state of California at any time from October 20, 2006 through the date of
11 this preliminary approval order who do not properly elect to opt out of this Settlement.
12 Should for whatever reason the Settlement not become final, the fact that the Parties
13 were willing to stipulate to certification of the Settlement Class as part of the
14 Settlement shall have no bearing on, nor be admissible in connection with, the issue of
15 whether the class previously certified should be decertified and/or what the scope of
16 any class should be in a non-settlement context.

17 4. Plaintiffs Gino Maraventano, Neesha Kurji, Gina Balasanyan and Nune
18 Nalbandian ("Named Plaintiffs") are hereby preliminarily appointed and designated,
19 for all purposes, as the representative of the Settlement Class and the following
20 attorneys are hereby preliminarily appointed and designated as counsel for the Named
21 Plaintiffs and the Settlement Class ("Class Counsel"): Deason & Archbold, Barnhill &
22 Vaynerov LLP, and Schwarcz, Rimberg, Boyd & Rader, LLP.

23 5. Class Counsel is authorized to act on behalf of Settlement Class with
24 respect to all acts or consents required by, or which may be given pursuant to, the
25 Settlement, and such other acts reasonably necessary to consummate the Settlement.
26 Any Settlement Class Member may enter an appearance through counsel of such
27 individual's own choosing and at such individual's own expense. Any Settlement
28

1 Class member who does not enter an appearance or appear on his or her own will be
2 represented by Class Counsel.

3 6. The Court hereby approves the definition and disposition of the Total
4 Settlement Package and related matters provided for in the Stipulation.

5 7. The Court hereby preliminarily approves the collective Fees Award of up
6 to \$2,300,000.00 total, including up to \$661,250.00 to Deason & Archbold; up to
7 \$661,250.00 to Barnhill & Vaynerov LLP; and up to \$977,500.00 to Schwarcz,
8 Rimberg, Boyd & Rader LLP

9 8. The Court hereby preliminarily approves the Cost Award of up to
10 \$50,000.00.

11 9. The Court hereby preliminarily approves Incentive Awards to the four
12 Named Plaintiffs collectively totaling up to \$50,000.00, with the four Named
13 Plaintiffs receiving up to \$12,500.00 each.

14 10. The Court hereby preliminarily approves costs of administration up to
15 \$150,000.00. The Court will need to approve any cost of administration in excess of
16 this amount.

17 11. The Court finds on a preliminary basis that the Stipulation appears to be
18 within the range of reasonableness of a settlement that could ultimately be given final
19 approval by this Court. The Court has reviewed the monetary recovery that is being
20 granted as part of the Settlement and recognizes its significant value to the Settlement
21 Class. The Court has also reviewed the Voucher Award that is being provided under
22 the Settlement, which the Court also recognizes as having significant value to the
23 Settlement Class.

24 12. By entering into this Settlement, neither Nordstrom nor any current or
25 former employees subject to Nordstrom's June 2011 or August 2011 Dispute
26 Resolution Agreements are waiving the right to seek enforcement of individual
27 arbitration agreements between Nordstrom and any current or former Nordstrom
28 employee. However, should the Settlement be finally approved, individual members

1 of the Settlement Class who do not opt out of the Settlement and thus become
2 Settlement Class Members will be releasing all claims and causes of action covered by
3 the Settlement regardless of whether they are parties to an enforceable arbitration
4 agreement. If the Settlement does not become effective, for whatever reason, or if
5 final approval of the Settlement is not granted, Nordstrom and Members of the
6 Settlement Class may seek to enforce applicable arbitration agreements under the
7 same terms and to the same extent as they otherwise would have been able to do had
8 no settlement discussions taken place and no settlement between the Parties been
9 reached. Nordstrom's rights and responsibilities with respect to arbitration
10 agreements applying to Settlement Class Members who elect to opt-out of this
11 Settlement will not be affected by this Settlement.

12 13. A hearing (the "Settlement Hearing") shall be held before this Court on
13 December 15, 2014, at 10:00 a.m. at 221 West Broadway San Diego, CA 92101,
14 Courtroom 5D (5th Floor - Schwartz), Suite 5190, to determine all necessary matters
15 concerning the Settlement, including: whether the proposed settlement of the Action
16 on the terms and conditions provided for in the Stipulation is fair, adequate and
17 reasonable and should be finally approved by the Court; whether a Judgment, as
18 provided in the Stipulation, should be entered herein; whether the plan of allocation
19 contained in the Stipulation should be approved as fair, adequate and reasonable to the
20 Settlement Class Members; and to finally approve Class Counsel's Fees Award and
21 Cost Award, and the Named Plaintiffs' Incentive Awards.

22 14. The Court hereby approves, as to form and content, the Claim Form to be
23 distributed to the Settlement Class Members attached to the Stipulation of Settlement
24 as Exhibit 2. The Court also approves, as to form and content, the Class Notice, the
25 Sample Voucher and the Opt-Out Form attached hereto as Exhibits A, B and C,
26 respectively. The Court finds that that distribution of the Notice and Claim Form
27 substantially in the manner and form set forth in the Stipulation and this Order meets
28

1 the requirements of due process, is the best notice practicable under the circumstances,
2 and shall constitute due and sufficient notice to all persons entitled thereto.

3 15. The Court hereby appoints Rust Consulting, Inc., 777 South Figueroa
4 Street, Suite 4600, Los Angeles, CA 90017, as Claims Administrator and hereby
5 directs the Claims Administrator to mail or cause to be mailed to Settlement Class
6 Members the Notice and Claim Form by first class mail within forty-five (45) days
7 after the entry of this Preliminary Order (the "Notice Date") using the procedures set
8 forth in the Stipulation. Settlement Class Members who wish to participate in the
9 settlement provided for by the Stipulation must complete and return the Claim Form
10 pursuant to the instructions contained therein by first class mail or equivalent, postage
11 paid, within sixty (60) days of the Notice Date.

12 16. Any Settlement Class Member may choose to opt out of and be excluded
13 from the Settlement Class as provided in the Notice by following the instructions for
14 requesting exclusion from the Settlement Class that are set forth in the Notice. Any
15 such person who chooses to opt out of and be excluded from the Settlement Class will
16 not be entitled to any recovery under the Settlement and will not be bound by the
17 Settlement or have any right to object, appeal or comment thereon. Any written
18 request to opt out must be signed by each such person opting out. Settlement Class
19 Members who have not requested exclusion shall be bound by all determinations of
20 the Court, by the Stipulation and by the Final Judgment.

21 17. Any Settlement Class Member may appear at the Settlement Hearing and
22 may object to or express their views regarding the Settlement, and may present
23 evidence and file briefs or other papers, that may be proper and relevant to the issues
24 to be heard and determined by the Court as provided in the Notice. However, no
25 Settlement Class Member or any other person shall be heard or entitled to object, and
26 no papers or briefs submitted by any such person shall be received or considered by
27 the Court, unless on or before sixty (60) days after the Notice Date that person has
28 served by hand or by first class mail written objections and copies of any papers and

1 briefs in support of their position and verification of their membership in the
2 Settlement Class upon: (1) Maxim Vaynerov, Esq., Barnhill & Vaynerov, LLP, 8200
3 Wilshire Boulevard, Suite 400, Beverly Hills, California 90211; (2) Lee Boyd, Esq.,
4 Schwarcz, Rimberg, Boyd & Rader, LLP, 6310 San Vicente Boulevard, Suite 360,
5 Los Angeles, California 90048; (3) Matthew Archbold, Deason & Archbold, 3300
6 Irvine Avenue, Suite 245, Newport Beach, California 93660; and (4) Julie Dunne,
7 Esq., Littler Mendelson, P.C., 501 W. Broadway, Suite 900, San Diego, CA 92101,
8 and filed the objections, papers and briefs with the Clerk of this Court. In order to be
9 valid, the papers must be filed with the Clerk of this Court and received by all of the
10 above counsel on or before sixty (60) days after the Notice Date. Any Settlement
11 Class Member who does not make his or her objection in the manner provided for in
12 this Order shall be deemed to have waived such objection and shall forever be
13 foreclosed from making any objection to the Settlement.

14 18. All papers in support of the Settlement shall be filed with the Court and
15 served on the Parties' Counsel no later than five (5) Court days before the Settlement
16 Hearing.

17 19. To the extent permitted by law, pending final determination as to whether
18 the settlement contained in the Stipulation should be approved, the Settlement Class
19 Members whether directly, representatively, or in any other capacity, whether or not
20 such persons have appeared in the Action, shall not institute or prosecute any claim
21 released in the Stipulation against the Released Parties.

22 20. The Settlement is not a concession or admission, and shall not be used
23 against Nordstrom or any of the Released Parties as an admission or indication with
24 respect to any claim of any fault or omission by Nordstrom or any of the Released
25 Parties. Whether or not the Settlement is finally approved, neither the Settlement, nor
26 any document, statement, proceeding or conduct related to the Settlement, nor any
27 reports or accounts thereof, shall in any event be:
28

- 1 a. Construed as, offered or admitted in evidence as, received as or
2 deemed to be evidence for any purpose adverse to the Released
3 Parties, including, but not limited to, evidence of a presumption,
4 concession, indication or admission by Nordstrom or any of the
5 Released Parties of any liability, fault, wrongdoing, omission,
6 concession or damage; or
7 b. Disclosed, referred to, or offered or received in evidence against any
8 of the Released Parties in any further proceeding in the Action, or in
9 any other civil, criminal or administrative action or proceeding, except
10 for purposes of enforcing the settlement pursuant to the Stipulation.

11 21. As of the date this Order is signed, all dates and deadlines associated with
12 the Action shall be stayed, other than those pertaining to the administration of the
13 Settlement of the Action.

14 22. In the event the Settlement does not become effective in accordance with
15 the terms of the Stipulation, or the Settlement is not finally approved, or is terminated,
16 canceled or fails to become effective for any reason, this Order shall be rendered null
17 and void and shall be vacated, and the Parties shall revert to their respective positions
18 as of before entering into the Stipulation.

19 23. The Court reserves the right to adjourn or continue the date of the
20 Settlement Hearing and all dates provided for in the Stipulation without further notice
21 to Settlement Class Members, and retains jurisdiction to consider all further
22 applications arising out of or connected with the proposed Settlement.

23 Dated: August 11, 2014

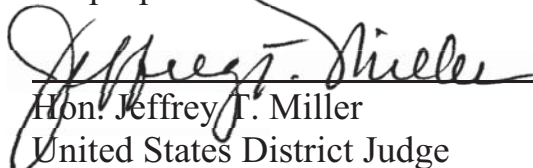
24 
25 Hon. Jeffrey T. Miller
26 United States District Judge
27
28

EXHIBIT A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

GINO MARAVENTANO; and
NEESHA KURJI,
Plaintiffs,

Master Case No. 10cv2671 JM (JLB)

NOTICE OF CLASS ACTION SETTLEMENT

v.
NORDSTROM, INC., a Washington Corporation;
and DOES 1 through 10, inclusive,
Defendants.

GINA BALASANYAN, an individual, and
NUNE NALBANDIAN, an individual, on behalf of
themselves and all others similarly situated,
Plaintiffs,

v.
NORDSTROM, INC., a Washington Corporation;
and DOES 1 through 10, inclusive,
Defendants.

NOTICE OF PENDENCY AND SETTLEMENT OF CLASS ACTION; SETTLEMENT HEARING; AND CLAIM
AND EXCLUSION PROCEDURES

Case Name: *GINO MARAVENTANO/ NEESHA KURJI/ GINA BALASANYAN & NUNE NALBANDIAN
v. NORDSTROM, INC.*, USDC Case No. 10CV-02671 JM (JLB)

TO: All persons who work or have worked for Nordstrom, Inc. ("Nordstrom") within the state of California
from October 20, 2006 through June XX, 2014 who were or are paid on a draw commission basis
(the "Settlement Class Member(s)");

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE CONTAINS IMPORTANT INFORMATION
REGARDING YOUR RIGHTS AS A SETTLEMENT CLASS MEMBER IN THIS ACTION.

I. INTRODUCTION

Plaintiffs and Nordstrom, Inc. ("Nordstrom") have reached an agreement to settle the above-captioned case on behalf of Plaintiffs and the Settlement Class (described below). This agreement is referred to below as the "Settlement," and is set forth in a Stipulation for Class Action Settlement on file with the Clerk of the United States District Court for the Southern District of California. You are being sent this Notice because Nordstrom's records show that you are/were employed in a draw commission position during the period from October 20, 2006 through June XX, 2014 (the "Class Period"), and thus, are eligible to participate in this Settlement. The Settlement is a compromise of disputed claims and is not to be construed as an admission of liability on the part of Nordstrom or anyone else. The Court has granted preliminary approval of the Settlement, and the parties are now seeking final Court approval, which is required for the Settlement to become effective. The Settlement includes a claims procedure for eligible Settlement Class Members to file claims for recovery pursuant to the terms of the Settlement. (See Section VII, Claim Procedure, below). **YOU MUST DELIVER A "CLAIM FORM," AS DESCRIBED BELOW, IN ORDER TO RECEIVE A RECOVERY UNDER THIS SETTLEMENT.**

1 **II. DESCRIPTION OF THE LAWSUIT**

2 On October 20, 2010, a Class Action was filed against Nordstrom by former Nordstrom Draw
3 Commission Salespersons, Gino Maraventano and Neesha Kurji, on behalf of themselves and all similarly
4 situated employees. On April 5, 2011 a similar lawsuit was filed against Nordstrom by Gina Balasanyan and
Nune Nalbandian. Those two cases were subsequently consolidated. Collectively, Mr. Maraventano, Ms.
Kurji, Ms. Balasanyan and Ms. Nalbandian are referred to as "Plaintiffs" or "Named Plaintiffs."

5 Plaintiffs allege in this lawsuit that Nordstrom failed to pay Draw Commission Salespersons all of
6 their minimum wage compensation for time spent working prior to the store opening and/or after the store
7 closed. Plaintiffs' principle allegation is that Nordstrom should have paid its Draw Commission Salespersons
8 a separate hourly rate for all time worked prior to the store opening and/or after the store closing. Plaintiffs
9 contend that for up to forty (40) minutes before the store opened and/or up to forty (40) minutes after the store
closed, Nordstrom compensated its Draw Commission Salespersons via commissions, which Plaintiffs claim
could only be earned during the periods the store was open to the public. The action seeks recovery of
unpaid minimum wage compensation incurred from October 20, 2006 to the current date, liquidated
damages, penalties and attorneys' fees and costs.

10 Nordstrom denies Plaintiffs' allegations. Nordstrom contends that it properly paid Draw Commission
11 Salespersons at least minimum wage for all hours worked through its draw commission plan, which
12 guaranteed an amount equal to or above the hourly minimum wage through commissions or a guaranteed
minimum draw. Nordstrom also contends that it properly paid commissions for the 40-minute windows of time
before the store opened and after the store closed because salespeople were engaged in sales or sales-
related work during those periods.

13 **III. CLASS CERTIFICATION AND COMPOSITION OF THE SETTLEMENT CLASS**

14 On August 12, 2013, the United States District Court for the Southern District of California certified a
15 class of "All persons who work or have worked for Nordstrom, Inc. ("Nordstrom") within the state of California
16 from October 20, 2006 through the present date who were or are paid on a draw commission basis, provided
17 they were first employed in a draw commission position prior to distribution of the June 2011 Dispute
Resolution Agreement." For purposes of this Settlement only, that class has been expanded to include draw
commission salespersons first employed after distribution of the June 2011 Dispute Resolution Agreement
through the date of the Court's preliminary approval of this Settlement, June XX, 2014.

18 If you are receiving this Notice, then you are a Settlement Class Member. The class covers the
19 "Released Claims" specified in Section VIII.A. below. If you wish to pursue claims not included in the Class
Action Claims in this case, you must do so in your own separate lawsuit or arbitration.

20 **IV. ARBITRATION RIGHTS**

21 The certification of the Settlement Class is for purposes of this Settlement only. By entering into this
22 Settlement, neither Nordstrom nor any current or former employees subject to Nordstrom's June 2011 or
23 August 2011 Dispute Resolution Agreements are waiving the right to seek enforcement of individual
24 arbitration agreements between Nordstrom and any current or former Nordstrom employee. However,
25 individual members of the Settlement Class who do not opt out of the Settlement and thus become Settlement
26 Class Members will be releasing all claims and causes of action covered by the Settlement regardless of
27 whether they are parties to an enforceable arbitration agreement. If the Settlement does not become
28 effective, for whatever reason, or if final approval of the Settlement is not granted, Nordstrom and Members of
the Settlement Class may seek to enforce applicable arbitration agreements under the same terms and to the
same extent as they otherwise would have been able to do had no settlement discussions taken place and no
settlement between the Parties been reached. Nordstrom's rights and responsibilities with respect to
arbitration agreements applying to Settlement Class Members who elect to opt-out of this Settlement will not
be affected by this Settlement.

1 IV. BACKGROUND OF THE SETTLEMENT

2 The parties and their attorneys have conducted investigations of the facts and law during the Action,
3 including, among other things, an exchange of documents and written discovery and a review of time and
4 payroll records, and sales transaction data. The attorneys have analyzed the applicable law as it relates to
5 the allegations of Plaintiffs, the defenses thereto, and the damages claimed by Plaintiffs. There has been no
6 determination by any court, administrative agency, or other tribunal as to the truth or validity of the factual or
7 legal allegations made against Nordstrom in this Action.

8 Plaintiffs and Class Counsel believe that the claims asserted in the Action have merit. However, Class
9 Counsel recognizes and acknowledges the expense and length of continued proceedings necessary to
10 prosecute the Action against Nordstrom through trial and possible appeals. Class Counsel has also taken into
11 account the uncertainty of the outcome and the risk of litigation. Thus, Plaintiffs and Class Counsel engaged in
12 intensive arm's length negotiations with Nordstrom and its attorneys. After several mediation sessions before an
13 experienced, neutral mediator, these negotiations eventually led to the Settlement. Plaintiffs and Class Counsel
14 believe that the Settlement is fair, reasonable, and adequate and in the best interests of the Settlement Class
15 and Plaintiffs.

16 Nordstrom believes that the claims asserted in the litigation are without merit. Thus, Nordstrom has
17 denied and continues to deny Plaintiffs' claims and all charges of wrongdoing and liability. Although
18 Nordstrom vehemently contests Plaintiffs' allegations and denies that it committed any wrongdoing or
19 violation of law, the company believes that further litigation of this case would be protracted, expensive, and
20 contrary to the best interests of Nordstrom and its employees. Substantial amounts of time, energy, and other
21 resources have been devoted to defending against the litigation, and unless there is a settlement, that
22 situation will continue. In light of these realities, Nordstrom believes that the Settlement is the best way to
23 resolve the litigation while minimizing further burden and expenditures.

24 V. SETTLEMENT CLASS MEMBER RECOVERY

25 The maximum total settlement amount available excluding attorney fees and costs is \$5,300,000.
26 The Settlement has two components: (1) monetary relief, and (2) a merchandise voucher award. Each
27 component is described below.

28 Monetary Relief:

The monetary relief has a maximum potential value of \$2,700,000.00 (the "Gross Monetary Settlement
Fund"). The Gross Monetary Settlement Fund will be used to pay (1) monetary claims made by Settlement
Class Members; (2) the Incentive Awards to each of the Named Plaintiffs in an amount not to exceed \$12,500
for each Named Plaintiff; (3) the costs of administration of the settlement (estimated to be \$150,000); and (4)
Private Attorney General Act penalties in the amount of \$10,000. The Gross Monetary Settlement Fund minus
these four items is referred to in this Notice as the "Monetary Settlement Amount."

Each Settlement Class Member who timely submits a valid Claim Form and completed one or more
pay periods during the Class Period in a draw commission position in which s/he did not misdraw will be
entitled to a monetary recovery from the Monetary Settlement Amount. Each Settlement Class Member's
Individual Monetary Settlement Amount will be calculated as follows:

- First, the total number of weeks worked wherein Settlement Class members did not receive a
misdraw during the Class Period will be divided into the Monetary Settlement Amount to determine
the Initial Workweek Amount.
- Next, the Initial Workweek Amount will be multiplied by each individual Settlement Class Member's
number of Workweeks during the Class Period in which s/he did not misdraw. Therefore, your
individual monetary recovery will be based on the number of non-misdraw weeks you were employed
by Nordstrom in a draw commission position from October 20, 2006 through June XX, 2014. All cash
payments will be subject to standard deductions for employee payroll taxes and other withholdings.
The exact amount of your monetary payment may be increased if there is a Monetary Payout
Deficiency as explained below. Your individual monetary payment may also be decreased to pay a

1 portion of employer-side taxes in the event that employer-side taxes are not satisfied through other
 2 means specified in the Settlement, including through unclaimed funds in the Monetary Settlement
 3 Amount. The parties estimate that the Initial Workweek Amount will be a minimum of \$X.XX per
 4 Workweek.

5 This is a claims made settlement. If a Settlement Class Member does not timely submit a valid Claim
 6 Form, their unclaimed share will be retained by Nordstrom. Although this Settlement is claims made, the
 7 Parties have agreed that Nordstrom will pay at least 50% of the Gross Monetary Settlement Fund, in total, for
 8 Individual Monetary Settlement Amount payments to Participating Settlement Class Members, Incentive
 9 Awards, Claims Administrator Costs, payroll taxes as applicable, and Private Attorney General Act penalties.
 10 A Monetary Payout Deficiency will result if the amount remaining in the Gross Monetary Settlement Fund is
 11 below the one million three hundred and fifty thousand dollar (\$1,350,000) floor — i.e., 50% of the Gross
 12 Monetary Settlement Fund — after deducting the sum of the Individual Monetary Settlement Amounts, the
 13 Incentive Awards, Claims Administrator Costs, payroll taxes as applicable, and Private Attorney General Act
 14 penalties. If applicable, a Monetary Payout Deficiency will be paid to Participating Settlement Class Members
 15 as a Supplemental Monetary Award. The Supplemental Monetary Award to be paid to Participating
 16 Settlement Class Members will be based on the number of non-misdraw Workweeks worked by each
 17 Settlement Class Member who timely submits a valid Claim Form. This amount shall be added to each
 18 Settlement Class Member's original Individual Monetary Settlement Amount on a pro-rated basis depending
 19 on each Participating Class Member's number of non-misdraw Workweeks during the Class Period. The sum
 20 of the Individual Monetary Settlement Amount and Supplemental Monetary Award, minus standard tax
 21 withholdings and deductions, will then be distributed to each Settlement Class Member who timely submits a
 22 valid Claim Form.

23 **B. Voucher Awards:**

24 Nordstrom has agreed to make available a maximum of \$2,600,000 in merchandise vouchers to
 25 Settlement Class Members. The Voucher Award will be divided into two distinct funds: the Voucher Payout
 26 Fund A, and the Voucher Payout Fund B. Whether Participating Settlement Class Members will receive a
 27 merchandise voucher from Voucher Payout Fund A or B will depend on the length of their employment in a
 28 draw commission position during the Class Period, as specified below.

29 (i) **Voucher Payout Fund A:** The face value of the Voucher Awards to be issued
 30 to Settlement Class Members who submit a valid Claim Form from Voucher Fund A will be determined by
 31 dividing 87.34% of the Voucher Award by the total number of Settlement Class Members employed for less
 32 than three years in a draw commission position between October 20, 2006 through June XX, 2014. The
 33 resulting amount will be rounded to the nearest dollar.

34 (ii) **Voucher Payout Fund B:** The face value of the Voucher Awards to be issued
 35 to Settlement Class Members who submit a valid Claim Form from Voucher Fund B will be determined by
 36 dividing 12.66% of the Voucher Award by the total number of Settlement Class Members employed for three
 37 years or more in a draw commission position between October 20, 2006 through June XX, 2014. The
 38 resulting amount will be rounded to the nearest dollar. It is expected that the face value of the Voucher
 39 Payout Fund B merchandise voucher will be higher than the merchandise voucher for Voucher Payout Fund
 40 A.

41 This is a claims made settlement. To the extent a Settlement Class Member does not timely submit a
 42 valid Claim Form, his or her unclaimed share will be retained by Nordstrom. However, although this
 43 Settlement is claims made, the Parties have agreed that Nordstrom will pay at least 50% of Voucher Award
 44 (i.e., \$1,300,000 in merchandise vouchers) to Settlement Class Members who timely submit a valid Claim
 45 Form. If the cumulative total of Voucher Awards actually claimed from both Voucher Payout Funds A and B is
 46 less than \$1,300,000, the difference between the cumulative total of the Voucher awards and \$1,300,000 will
 47 be the Voucher Award Deficiency. The Voucher Award Deficiency Amount will then be added equally as a
 48 set flat-rate supplemental amount to each individual voucher payment for each Participating Settlement Class
 49 Member regardless of whether the Participating Settlement Class Member will receive a merchandise
 50 voucher from Voucher Payout Fund A or B.

51 All merchandise vouchers will be subject to the terms and conditions listed on the vouchers,

including, but not limited to, the following: (1) Vouchers may be used only for in-store, non-sale purchases at Nordstrom full-line stores in California; (2) Vouchers are not usable for services such as alterations, repairs, shipping, handling or other services, internet or telephone purchases, purchases at Nordstrom Rack Locations, or to pay part or all of any debit or credit card balances; (3) Vouchers are not transferable; (4) Vouchers are not cash or gift cards, and thus, may not be redeemed, in whole or in part, for cash or gift cards or consolidated with gift cards and may not be reloaded with tender or merchandise; and (5) Vouchers that are lost, stolen or damaged will not be replaced. Any Participating Settlement Class Member eligible for a Nordstrom employee discount may use that discount in conjunction with the use of their Voucher.

C. **PAGA Penalties**

In connection with this Settlement, Nordstrom has agreed to pay \$10,000 in penalties to the California Labor and Workforce Development Agency.

VI. CLASS COUNSEL FEES AND COSTS

In connection with this Settlement, Nordstrom has agreed to pay all Class Counsel a total maximum of \$2,300,000 in attorney fees and \$50,000 in litigation costs. The amount of attorney's fees awarded to Class Counsel will be subject to the Court's discretion, but in any event, will not exceed this amount. As part of the Settlement, you will not be required to pay Class Counsel for their representation of you in the Action. The amount of costs awarded to Class Counsel will be subject to the Court's discretion, but in any event, will not exceed \$50,000. As part of the Settlement, you will not be required to reimburse Class Counsel for the costs associated with their representation of you in the Action.

SUMMARY OF YOUR OPTIONS

As set forth in detail below, you have three possible options for responding to this notice:

1. **Make a claim.** If you make a claim utilizing the Claim Form included with this Notice, you will be eligible to recover under the SETTLEMENT CLASS MEMBER RECOVERY (Section V. of this Notice) and you will be bound by this Settlement and the Release (Section VIII.A.).
2. **Opt-out of Settlement.** If you opt out utilizing the Opt-Out Form included with this Notice, you must follow the procedures in Section IX of this Notice and you will **NOT** receive the SETTLEMENT CLASS MEMBER RECOVERY (Section V. of this Notice) and you will **NOT** be bound by the Settlement and Release (Section VIII.A.)
3. **Do nothing.** If you give no response, you will still be bound by this Settlement and the Release (Section VIII.A.), but you will receive **NO** SETTLEMENT CLASS MEMBER RECOVERY (Section V. of this Notice).

VII. MAKING A CLAIM FOR RECOVERY UNDER THE SETTLEMENT

All Settlement Class Members are eligible to receive payment under the Settlement. As stated above, the monetary settlement payment is based upon each non-misdraw Workweek in which you worked for Nordstrom as a draw commission salesperson from October 20, 2006 through June XX, 2014. As also specified above, the merchandise voucher award you receive will depend on whether you were employed in a draw commission position for less than three years or three or more years from October 20, 2006 through June XX, 2014. The actual monetary payment amount and merchandise voucher amount to each Settlement Class Member that submits a claim will not decrease based on the total number of eligible Settlement Class Members that submit claims in this settlement other than potentially affecting supplemental awards in the event that the 50% floors applying to the Gross Monetary Settlement Fund and/or Voucher Award are not reached.

In order to file a claim for payment, you must sign the enclosed Claim Form, and mail it to the Claims Administrator via U.S. Mail at the address below, using the enclosed, prepaid postage envelope, postmarked no later than **XX, 2014**. If you fail to submit a Claim Form by this

1 **deadline, you will be disqualified from seeking relief under this Settlement, and unless you opt out (as**
 2 **described in Section IX below), your claims will be released (as set forth in Section VIII below).**

3 If you wish to receive assistance in completing the Claim Form, you may contact the Claims
 4 Administrator at the address and telephone number below.

5 Rust Consulting, Inc.
 6 777 South Figueroa Street, Suite 4600
 7 Los Angeles, CA 90017
 8 Telephone: (XXX) XXX-XXXX
 9 Facsimile: (XXX) XXX-XXXX

10 **Claims Payment.** Following the Effective Settlement Date, as defined in the Settlement, Nordstrom
 11 has agreed to pay all Valid Claims through the Claims Administrator in accordance with the terms of the
 12 Stipulation for Class Action Settlement. The settlement payments to each Settlement Class Member that
 13 timely submits a Valid Claim will be distributed to Participating Settlement Class Members within twenty-one
 14 (21) days of the Effective Settlement Date.

15 **VIII. BINDING EFFECT/RELEASE OF CLAIMS**

16 A. **Release of Claims as to all Settlement Class Members.** As of the Effective Date, the
 17 Settlement Class Members release Nordstrom and each of its past, present and future officers, directors
 18 shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants,
 19 insurers and reinsurers, and its and their respective successors and predecessors in interest, subsidiaries,
 20 affiliates, parents and attorneys and each of their company sponsored employee benefit plans and all of their
 21 respective officers, directors, employees, administrators, fiduciaries, trustees and agents (the "Released
 22 Parties") from the Released Claims through the date of the claims, objections and opt out deadline for this
 23 Settlement. The Released Claims are claims that all Settlement Class Members who do not opt-out waive
 24 and release in exchange for the consideration provided for in the Settlement and include, the claims alleged,
 25 or that could have been alleged, by the Named Plaintiffs, on behalf of themselves and Settlement Class
 26 Members, based on the facts alleged in their complaints, including for: (1) alleged violations of California
 27 minimum wage law (including, without limitation, under California Labor Code sections 1194 and 1197); (2)
 28 alleged violations of California Labor Code sections 201-203 for failing to pay all wages due upon separation;
 (3) alleged violations of California Labor Code section 226 for failure to provide accurate and complete wage
 statements; (4) alleged violations of California Business and Professions Code section 17200 *et seq.* based
 on an alleged failure to pay draw commission employees minimum wage or another contractually agreed
 wage for all hours worked; (5) breach of contract based on an alleged failure to pay draw commission
 employees for all hours worked; (6) declaratory relief based on an alleged failure to pay draw commission
 employees for all hours worked; (7) any claim under the Private Attorney General Act, California Labor Code
 section 2698 *et seq.* ("PAGA") based on an alleged failure to pay draw commission employees for all hours
 worked; (8) any other claims that were or could have been brought based on the factual allegations and
 claims in the Name Plaintiffs' complaints; and (9) any claim that Nordstrom is liable for the attorneys' fees,
 costs or other expenses incurred to prosecute this action, including fees incurred for the services of Barnhill &
 Vaynerov, LLP, Deason & Archbold, and Schwarcz, Rimberg, Boyd & Rader LLP. The Released Claims do
 not apply to minimum wage claims for non-draw commission salespeople, such as those in the *Nguyen vs.*
Nordstrom case, OCSC Case No. 30-2011-00484903-CU-OE-CXC.

29 The Released Claims include a California Civil Code section 1542 waiver which applies to the Class
 30 Action Claims in this case. With respect to the Released Claims, the Class Members stipulate and agree that,
 upon the Effective Date of the Settlement, the Class Members shall be deemed to have, and by operation of
 the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law, the
 provisions, rights and benefits of California Civil Code section 1542, or any other similar provision under
 federal or state law. California Civil Code section 1542 provides that:

A general release does not extend to claims which the creditor does not know or suspect to
 exist in his or her favor at the time of executing the release, which if known by him or her
 must have materially affected his or her settlement with the debtor.

Settlement Class Members may hereafter discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date, shall be deemed to have, and by operation of the Court's judgment finally approving the settlement shall have, fully, finally, and forever settled and released any and all of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed, upon any theory of law or equity now existing, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

THE WAIVERS AND RELEASES ARE SET FORTH MORE SPECIFICALLY, AND IN MORE DETAIL, IN THE STIPULATION FOR CLASS ACTION SETTLEMENT, which is on file with the Clerk of the United States District Court for the Southern District of California.

IX. PROCEDURE FOR EXCLUSION FROM DAMAGES CLASS

Settlement Class Members may exclude themselves (i.e., "opt-out") from the Class Settlement by mailing to Rust Consulting, Inc., 777 South Figueroa Street, Suite 4600, Los Angeles, CA 90017, on or before _____ XX, 2014, the enclosed Opt-Out Form expressing their desire to be excluded from the Agreement. The written statement must include your full name (and former names, if any), current address, and last four digits of your social security number. In addition, it must be postmarked on or before _____ XX, 2014. Requests for exclusion that do not include all required information, or that are not submitted on a timely basis, will be deemed null, void and ineffective. Persons who are eligible to and do submit valid and timely requests for exclusion from the Class Settlement will not receive monetary settlement awards or Voucher Awards, nor will they be bound by the terms of the proposed Class Settlement, if it is approved.

X. SETTLEMENT HEARING/OBJECTIONS TO THE PROPOSED SETTLEMENT

A hearing (the "Settlement Hearing") will be held before the United States District Court for the Southern District of California on _____ XX, 2014, at ____ [a.m./p.m.], at 221 West Broadway San Diego, CA 92101, Courtroom 5D (5th Floor - Schwartz), Suite 5190, (the "Court"), to determine whether the proposed Settlement of the Action is fair, adequate and reasonable and should be finally approved by the Court and whether judgment should be entered fully and finally resolving the Action on the merits with prejudice.

Any Settlement Class Member may appear in person or through counsel at the Settlement Hearing and be heard as to why the proposed Settlement of the Action should not be approved as fair, adequate and reasonable, or why a Final Judgment fully and finally resolving the Action against Nordstrom with prejudice should or should not be entered. No Settlement Class Member, however, shall be heard or entitled to object and no papers or briefs submitted by any such person shall be received or considered by the Court unless written notice of intention to appear at the Settlement Hearing, together with copies of all papers and briefs proposed to be submitted to the Court at the Settlement Hearing, shall have been filed with the Court and have been served personally on or before _____ XX, 2014, or if by mail then postmarked no later than _____ XX, 2014, upon all of the following:

Matthew Archbold, Esq.
Deason & Archbold
3300 Irvine Avenue, Suite 245
Newport Beach, California 92660

Maxim Vaynerov, Esq.
Barnhill & Vaynerov LLP
8200 Wilshire Boulevard, Suite 400
Beverly Hills, California 90211

Lee Boyd, Esq.
Schwarcz, Rimberg, Boyd & Rader, LLP
6310 San Vicente Boulevard, Suite 360
Los Angeles, California 90048

Julie Dunne, Esq.
Littler Mendelson, P.C.
501 West Broadway, Suite 900
San Diego, California 92101

Any Settlement Class Member who does not make and serve his or her written objections in the manner provided above shall be deemed to have waived such objections and shall be foreclosed from making

any objections (by appeal or otherwise) to the Settlement. Any Settlement Class Member who is satisfied with the proposed Settlement need not appear at the Settlement Hearing.

XI. EXAMINATION OF PAPERS AND INQUIRIES

The foregoing is only a summary of the Action and the proposed Settlement and does not purport to be comprehensive. For a more detailed statement of the matters involved in the Action and the proposed Settlement, you may refer to the pleadings, the Stipulation and Settlement Agreement of Class Action Claims, and other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court for the Southern District of California, Office of the Clerk 333 West Broadway, Suite 420, San Diego, CA 92101, during regular business hours of each Court day.

XII. HOW TO OBTAIN ADDITIONAL INFORMATION

All inquiries by Settlement Class Members regarding this Notice and/or the Settlement should be directed to the Claims Administrator, Rust Consulting, Inc., or Class Counsel, Deason & Archbold, Barnhill & Vaynerov LLP, and Schwarcz, Rimberg, Boyd & Rader LLP. The contact information for Claims Administrator and Class Counsel is provided below:

Claims Administrator:

Rust Consulting, Inc.
777 South Figueroa Street, Suite 4600
Los Angeles, CA 90017
Telephone: (XXX) XXX-XXXX
Facsimile: (XXX) XXX-XXXX

Class Counsel:

Matthew F. Archbold
DEASON & ARCHBOLD
3300 Irvine Ave, Suite 245
Newport Beach, CA 92660
Newport Beach, CA 92660
Telephone: (949) 794-9560
Facsimile: (949) 794-9517

Kathryn Lee Boyd
SCHWARCZ, RIMBERG, BOYD &
RADER LLP
6310 San Vicente Boulevard, Suite 360
Los Angeles, California 90048
Phone: (323) 302-9488
Fax: (323) 931-4990

Maxim Vaynerov
BARNHILL & VAYNEROV LLP
8200 Wilshire Boulevard, Suite 400
Beverly Hills, California 90211
Telephone: (310) 943-8989

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES ABOUT THIS CASE

EXHIBIT B

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Maraventano, et al. v. Nordstrom, Inc.; Balasanyan, et al. v. Nordstrom, Inc.
United States District Court for the Southern District of California
Consolidated Case No. 10cv2671 JM (JLB)

SAMPLE VOUCHER AWARD

_____-DOLLAR (\$XX.00) NORDSTROM MERCHANDISE VOUCHER

This Voucher is subject to the following terms and conditions: (1) Vouchers may be used only for in-store, non-sale purchases at Nordstrom full-line stores in California; (2) Vouchers are not usable for services such as alterations, repairs, shipping, handling or other services, internet or telephone purchases, purchases at Nordstrom Rack Locations, or to pay part or all of any debit or credit card balances; (3) Vouchers are not transferable; (4) Vouchers are not cash or gift cards, and thus, may not be redeemed, in whole or in part, for cash or gift cards or consolidated with gift cards and may not be reloaded with tender or merchandise; and (5) Vouchers that are lost, stolen or damaged will not be replaced. Any Participating Settlement Class Member eligible for a Nordstrom employee discount may use that discount in conjunction with the use of their Voucher.

[NAME] [VOUCHER NUMBER]

[ADDRESS 1] [TRACKING NUMBER] [BAR CODE]

[ADDRESS 2]

Signature: _____

EXHIBIT C

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CLASS ACTION OPT OUT FORM

*GINO MARAVENTANO/ NEESHA KURJI/ GINA BALASANYAN & NUNE NALBANDIAN v.
NORDSTROM, INC., USDC Case No. 10CV-02671 JM(WMc)*

[UNIQUE BARCODE TO BE INSERTED BY CLASS ADMINISTRATOR]

**IF YOU WISH TO BE EXCLUDED FROM THE CLASS ACTION, YOU
MUST COMPLETE AND MAIL THIS POSTCARD NO LATER THAN
[INSERT DATE]. DO NOT COMPLETE AND RETURN THIS FORM IF YOU
WISH TO REMAIN A PART OF THE CLASS ACTION.**

I, _____, elect to opt out of the Class certified by the Court in the
above-stated action.

Dated: _____

Signature

Print Name

Last Four Digits of Social Security Number OR
Nordstrom Employee Identification Number

This is your assigned Opt Out Form. You must use this Opt Out Form in order to opt out of the
Class. **If you wish to stay in the Class, do NOT return this postcard.**